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SUBJECT: EMBASSY MINSK WEEKLY POL/ECON REPORT - NOVEMBER 24,  
2006

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¶1. The following are brief items of interest compiled by  
Embassy Minsk.

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##### LUKASHENKO PRESS CONFERENCE

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#### ¶2. Lukashenko Admits GOB Falsified Presidential Vote

On November 23, independent media reported that President Lukashenko revealed that March's presidential election had been rigged, claiming that he had won many more votes than the election authorities announced. Lukashenko stated that the

election authorities falsified the election because as much as 93.5 percent of the voters had voted for him and the West would not recognize the election unless the President won by "European figures."

### 13. Lukashenko Explains Reasons for "Last Dictator"

On November 23, independent media reported President Lukashenko explaining why he had been branded "the last dictator in Europe." Lukashenko claimed that some people could not handle Belarus doing so well because they were rivals. The West's imperialist ambitions are causing them to spend hundreds of millions of dollars on revolutions that have all failed. Lukashenko figures this makes them bitter.

## ----- INTERNATIONAL RELATIONS -----

### 14. Saddam Hussein Helped Fund National Library in Minsk

On November 23, President Lukashenko told Ukrainian reporters that the former president of Iraq had provided USD 500,000 of his own money for the construction of the new building for Belarus' National Library. While the library was built with entirely Belarusian labor, Lukashenko stressed, everyone, including Saddam Hussein, funded the project.

### 15. CIS Defense and Foreign Ministers Meet

On November 23, the Council of Defense Ministers of the Collective Security Treaty Organization (CSTO) and the Council of Defense Ministers of the Commonwealth of Independent States (CIS) met in Brest. Press reported the ministers discussed topics such as joint personnel training, united communications systems, and the integrated air defense system. The ministers agreed to establish a system of control over the CSTO's collective security forces and facilities. On November 27, the Council of Foreign

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Ministers of the Commonwealth of Independent States (CIS) convened a session in Minsk. Representatives from the 12 CIS member countries heard a report on ways to increase the efficiency of CIS' activities and decided to set up an interstate commission of deputy foreign ministers to continue studying the CIS' operation and generate proposals for reform. The Ministers also discussed draft agreements on the basic principles of cooperation in the field of migration and the Anti-Terrorist Center.

## ----- CIVIL SOCIETY -----

### 16. Opposition Leader Detained in Fatal Car Accident Case

On November 24, independent media reported that opposition leader and former presidential candidate Aleksandr Milinkevich had been detained over his alleged involvement in a fatal car accident. Police claimed that his car resembled the one that had fled the scene of a previous accident in which one person had died. Milinkevich's press secretary told post that the detention occurred in the northern region of Vitebsk.

### 17. Border Officials Convicted of Bribery

On November 21, nearly 50 former border guards and customs officers were sent to prison for bribery, according to the Belarusian Military Prosecutor's Office. The Belarusian Military Court sentenced a border control unit's former head and 13 servicemen, five officers of the Oshmyany Customhouse and two civilians to between five and 14 years in prison for accepting bribes to let trucks cross the Lithuanian border into Belarus without paying import duties. The Kotlovka checkpoint had 27 inspection officers who were also given prison terms varying between six and a half and seven years for allowing some 600 trucks carrying food, household appliances and other goods to

cross the border without paying duties between 2002 and 2004.

#### 18. Date Set for Dashkevich's Sentence Appeal Hearing

On November 23, independent media reported that on December 15 a Minsk City Court judge is scheduled to examine an appeal from the defense team of imprisoned Dmitriy (Zmitser) Dashkevich, age 25, against his conviction and jailing. Dashkevich was sentenced to 18 months in a minimum-security correctional institution on November 1 after having been found guilty of running an unregistered organization (Malady Front).

### ----- TRADE AND INVESTMENT -----

#### 19. Belarus' Trade with Russia up 30.7 percent

On November 22, the Economics Ministry reported that Belarus' trade with Russia rose by 30.7 percent compared with last year. Belarus' exports so far this year totaled USD 4.9 billion and imports USD 9.8 billion. Russia accounts for 87.4 percent of Belarus' trade with the Commonwealth of Independent States, which experienced a 30.4 percent increase to USD 16.9 billion. Belarus boosted trade with Kazakhstan by 60.4 percent to USD 237.1 million. Belarus' trade with Moldova rose by 5.6 percent to USD 125.1 million, with exports exceeding imports by USD 13.7 million. Trade with Ukraine totaled USD 1.7 billion so far in 2006, a 28.5-percent rise, with an export surplus of USD 2.7 million.

### ----- DOMESTIC ECONOMY -----

#### 10. Monetary Policy to Hold Inflation Below Eight Percent

On November 21 Pyotr Prokopovich, head of the National Bank of Belarus, promised President Lukashenko that the country's 2007 monetary policy will be aimed at decelerating inflation and stabilizing the national currency's exchange rate. According to Prokopovich, the inflation rate should not exceed eight percent by the end of 2007. He added that the National Bank's Base Refinance Rate is expected to be lowered to seven to nine percent, which will help reduce an average interest rate on loans to 10 to 12 percent.

#### 11. Unemployment in Belarus Down 25.2 percent

On November 22, the Ministry of Statistics and Analysis reported that the number of officially registered unemployed people in Belarus decreased 25.2 percent compared to last year's numbers. The Ministry has registered 53,000 unemployed as of the end of

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this past October, which put the official unemployment rate at 1.2 percent of the economically active population. The highest reported unemployment rates were in the Vitebsk, Brest and Mogilyov regions (1.5 percent), compared with the lowest rate of 0.5 percent in Minsk. Women account for 66 percent of the unemployed people; under 30 years old made up 45 percent of those out of work.

### ----- SOCIETY -----

#### 12. Vandals Deface Signboard of Protestant Community

Independent media reported on the night of November 20, that unidentified vandals painted "Don't Believe Sects!" on a billboard in Baranovichi that directed people to the Salvation Church, an affiliate of the Union of Evangelical Faith Christians in the Republic of Belarus. Officials and media expressed the opinion that drunken teenagers might be the vandals. The church claimed that this was an organized action.

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QUOTE OF THE WEEK  
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¶13. On November 23, President Lukashenko said he had deserved the nickname "batka" (father in Belarusian) because he conducted a policy different from the one that would be pursued by "a small intellectual coming from an intellectual family where the table is set with tableware, with forks and spoons at their places, etc. I did not learn this anywhere. I came and started ruling the country the way I could. Maybe there's something good in this 'dictatorship.' I'm putting the word in quotation marks. We know many dictatorships where people are eaten and abducted in the street, there's nothing of the kind in our country."

Stewart